

News

United States
Department
of Labor



Bureau of Labor Statistics

Chicago, Ill. 60604

General Information: (312) 353-1880
Media Contact: Ronald M. Guzicki
(312) 353-1138
Fax-on-Demand Document No. 9208
<http://www.bls.gov/ro5news.htm>

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Consumer Price Index Minneapolis-St. Paul, MN-WI First Half 2001 Semiannual Average

Consumer prices in the Minneapolis-St. Paul area increased 1.9 percent in the 1st half 2001, the U.S. Department of Labor's Bureau of Labor Statistics (BLS) reported today. This matched the gain in the 1st half 2000 but was above 1st half increases averaging 1.1 percent in 1997-1999. The Minneapolis-St. Paul Consumer Price Index for All Urban Consumers (CPI-U) for the 1st half 2001 was 175.3 (1982-84=100). Over the year (1st half 2000 to 1st half 2001), retail prices in the Twin Cities increased 4.2 percent. This matched the rise in the previous annual period (1st half 1999-1st half 2000).

Rising costs for shelter and energy were major factors in the 1st half rise, according to BLS Regional Commissioner Peter J. Hebein in Chicago. A 6.3 percent hike in energy costs led to large gains in both the housing and transportation components. Higher shelter costs also contributed to the rise in the housing component. Above average gains were also seen in the medical care and recreation components. Moderate gains were reported in the food and beverages, education and communications, and other goods and services components. The apparel component posted a small setback.

The housing component increased 2.3 percent in the 1st half. The heavily-weighted shelter index advanced 2.2 percent. The cost of utility natural gas service jumped 13.8 percent in the 1st half and was up 48.9 percent from the 1st half 2000. Electricity costs increased 2.4 percent in the 1st half and were only 2.6 percent above their level a year ago.

The transportation component advanced 1.9 percent in the 1st half. Gasoline prices jumped 3.4 percent after posting increases of 16.6 and 4.3 percent in the 1st and 2nd half 2000, respectively. Over the past year, gasoline prices rose 7.8 percent. This was down from a 37.0 percent hike in the previous annual period (1st half 1999-1st half 2000).

Medical care costs rose 5.2 percent in the 1st half. This compares with 1st half gains averaging 1.7 percent over the previous six years. Annually, the medical care component rose 6.9 percent from the 1st half 2000. This was above

the 2.9 percent gain in the previous annual period but similar to the 6.4 percent rise a year earlier (1st half 1998-1st half 1999).

The food and beverages component gained 1.1 percent in the 1st half. All of this rise was attributed to a 3.6 percent hike in the cost of food away from home and a 3.2 percent gain in alcoholic beverage prices. The cost of grocery food (food at home) declined 0.5 percent in the 1st half. Over the year, grocery food prices were 2.4 percent higher. In contrast, the cost of food away from home rose 4.7 percent over the year.

Apparel costs slipped 0.5 percent in the 1st half. This compares with a 1st half gain of 0.3 percent in 2000 and a 3.2 percent setback in 1999. Over the past year, the apparel component fell 1.4 percent. This was in line with 1st half-1st half declines ranging from 1.0 to 3.9 percent over the previous three years.

Recreation costs advanced 3.0 percent in the 1st half and were up 4.0 percent from the 1st half 2000. This compares with annual gains of 2.8 and 0.3 percent in 1999 and 2000, respectively.

The education and communication component was up 1.1 percent in the 1st half but only 0.5 percent from the 1st half 2000. The other goods and services component increased 0.6 percent in the 1st half and was 2.6 percent higher over the past year.

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CPI HOTLINE SERVICE PROVIDES LATEST INDEXES 24 HOURS A DAY

The all items CPI-U and CPI-W for the U. S. City Average and for the Minneapolis-St. Paul area are available to the public 24 hours a day, 7 days a week through the Bureau's CPI Hotline service. This recorded message also provides percent changes from the prior period and from a year earlier as well as the schedule release date for the next CPI issuance. The Hotline number in Minneapolis-St. Paul is (651) 290-3996.

BLS FAX-ON-DEMAND SERVICE OFFERS CPI DATA 24 HOURS A DAY

If you have a fax machine and a touch-tone telephone, you can order current and historical CPI data and receive it within minutes by fax. The BLS Fax-on-Demand service offers over 280 documents containing the most popular BLS data including more than 65 documents containing CPI data for the nation, four regions, and 30 metropolitan areas. To receive by fax a catalog of documents available on the service, call 312 353-1880, select menu option 1, and when prompted, order document 1000.

BRIEF EXPLANATION OF THE CPI

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPI's for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 80 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers

32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Prices are collected in 85 urban areas across the country from about 57,000 housing units and Approximately 19,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index. Prices of food, fuels and a few other items are obtained every month in all 85 locations. Prices of most other commodities and services are collected every month in the five largest geographic areas and every other month in other areas. Prices of most goods and services are obtained by personal visits of the Bureau's trained representatives. Mail questionnaires are used to obtain utility rates, some fuel prices, and certain other items.

In calculating the index, price changes for the various items in each location are averaged together with weights which represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Separate indexes are also published by size of city, by region of the country, for cross-classifications of regions and population-size classes, and for 27 local areas. Area indexes do not measure differences in the level of prices among cities, they only measure the average change in prices for each area since the base period.

The index measures price change from a designated reference date- 1982-84-which equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: The price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65.

For further details see BLS Handbook of Methods, Bulletin 2490, Chapter 17, April 1997 The Consumer Price Index.

Consumer Price Index for All Urban Consumers (CPI-U): Indexes for semiannual averages and percent changes for selected periods

Minneapolis-St. Paul, MN-WI (1982-84=100 unless otherwise noted)

Item and Group	Semiannual average indexes			Percent change to 1st half 2001 from—	
	1st half 2000	2nd half 2000	1st half 2001	1st half 2000	2nd half 2000
Expenditure category					
All items	168.2	172.0	175.3	4.2	1.9
All items (1967=100)	528.6	540.5	551.0	-	-
Food and beverages	176.1	179.7	181.6	3.1	1.1
Food	173.0	176.9	178.5	3.2	.9
Food at home	168.5	173.4	172.5	2.4	-.5
Food away from home	179.6	181.5	188.0	4.7	3.6
Alcoholic beverages	203.3	202.0	208.4	2.5	3.2
Housing	153.7	158.6	162.2	5.5	2.3
Shelter	171.3	175.0	178.8	4.4	2.2
Rent of primary residence	171.2	175.9	180.9	5.7	2.8
Owners' equivalent rent of primary residence ¹	176.0	181.2	184.6	4.9	1.9
Fuels and utilities	125.9	144.6	155.4	23.4	7.5
Fuels	114.6	132.5	144.5	26.1	9.1
Gas (piped) and electricity	116.7	134.8	146.8	25.8	8.9
Electricity	131.6	131.8	135.0	2.6	2.4
Utility natural gas service	109.5	143.3	163.1	48.9	13.8
Household furnishings and operations	127.9	125.0	127.4	-.4	1.9
Apparel	138.8	137.5	136.8	-1.4	-.5
Transportation	155.6	159.6	162.6	4.5	1.9
Private transportation	146.0	151.1	153.6	5.2	1.7
Motor fuel	121.8	127.0	131.3	7.8	3.4
Gasoline (all types)	122.3	127.6	131.9	7.8	3.4
Gasoline, unleaded regular ²	122.3	128.3	132.2	8.1	3.0
Gasoline, unleaded midgrade ^{2 3}	128.3	134.8	137.4	7.1	1.9
Gasoline, unleaded premium ²	133.1	137.0	145.1	9.0	5.9
Medical care	247.6	251.8	264.8	6.9	5.2
Recreation ⁴	103.7	104.7	107.8	4.0	3.0
Education and communication ⁴	102.5	101.9	103.0	.5	1.1
Other goods and services	273.2	278.8	280.4	2.6	.6
Commodity and service group					
All items	168.2	172.0	175.3	4.2	1.9
Commodities	153.8	156.0	157.1	2.1	.7
Commodities less food and beverages	141.3	142.9	143.5	1.6	.4
Nondurables less food and beverages	155.4	159.5	159.7	2.8	.1
Durables	126.1	125.1	126.1	.0	.8
Services	182.0	187.0	192.1	5.5	2.7
Special aggregate indexes					
All items less medical care	164.0	167.7	170.7	4.1	1.8
All items less shelter	167.9	171.4	175.1	4.3	2.2
Commodities less food	144.2	145.7	146.5	1.6	.5
Nondurables	166.1	169.9	171.0	3.0	.6
Nondurables less food	159.1	162.8	163.4	2.7	.4
Services less rent of shelter ¹	200.1	206.2	214.8	7.3	4.2
Services less medical care services	175.1	180.1	184.7	5.5	2.6
Energy	119.0	130.6	138.8	16.6	6.3
All items less energy	175.3	177.7	180.8	3.1	1.7
All items less food and energy	176.0	178.2	181.5	3.1	1.9

¹ Index is on a December 1982=100 base.

² Special index based on a substantially smaller sample.

³ Indexes on a December 1993=100 base.

⁴ Indexes on a December 1997=100 base.

- Data not available.